INTEGRATED LOGISTICS CAPABILITY

EXECUTIVE STEERING COMMITTEE

Camp Lejeune, North Carolina

9 APRIL 2001

703-695-5939 (DSN 225)
WWW.HQMC.USMC.MIL/LPI.NSF

AGENDA

- ***INTEGRATED LOGISTICS CAPABILITY STATUS***

- ***PRESENT AN OVERVIEW OF THE INTEGRATED LOGISTICS CAPABILITY PROOF OF CONCEPT & GAIN CONCURRENCE TO PROCEED***

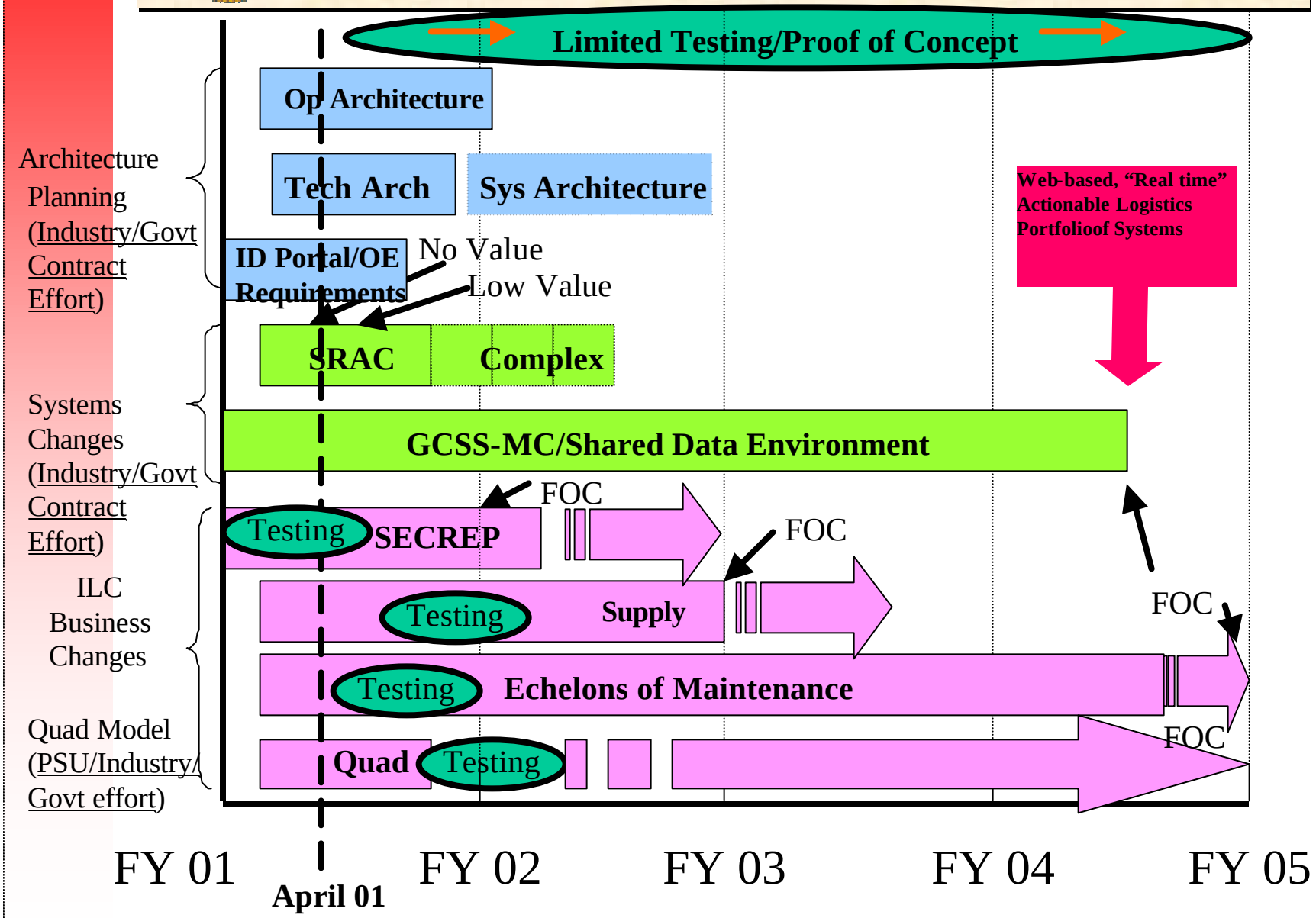
VISION

- ***Capitalize on efficiencies <u>without loss in "effectiveness"</u> – enhance readiness!***
- ***Relieve Operators Burden – <u>focus on Core Competencies</u>***
- ***<u>Integrated capability</u> – unified effort***

ACMC APPROVED RECOMMENDATIONS

- ***Reengineer Logistics Information Technology***
- *Institutionalize the Quadrant Model*
- *Move Secondary Reparable (SECREP) and 4th Echelon of Maintenance (EOM) Management to MATCOM*
- ***Move 2/3rd EOM to Intermediate Level***
- ***Move Selected Supply Functions from Using Unit Level to Intermediate Level***
- Streamline IT Acquisition
- Institutionalize Best Practice Tools for Acquisition & Material Management
- Establish Academic Strategic Alliance
- Establish USMC Strategic Alliance (HQ, MCCDC etc)

HIGH LEVEL ILC TIMELINE



OPERATIONAL ARCHITECTURE

- ***April 01: High-level Operational Architecture Complete***
  - ***Describes the future ("to be") functions and activities***
  - ***Synched with Working Integrated Process Teams (with representation by the operating forces and supporting establishment)***
  - ***Synched with MCCDC on the USMC Operational Architecture***

- ***April 01:Technical Assessment of the high level Operational Architecture Complete***

INFORMATION TECHNOLOGY

- Systems Realignment and Categorization (SRAC):
  - Feb 01: Identification of SRAC Process and initial elimination of “no value” applications (6/238)
  - June 01: First set of candidate “low value” applications eligible for elimination/consolidation (+/-29/238)
  - June 01: ID of personnel/cost/equipment indicators
- Shared Data Environment (SDE):
  - Apr 01: Final Request for Proposal
  - June 01: Contract Award
  - July 01: Pilot of DoN Meta- Data effort

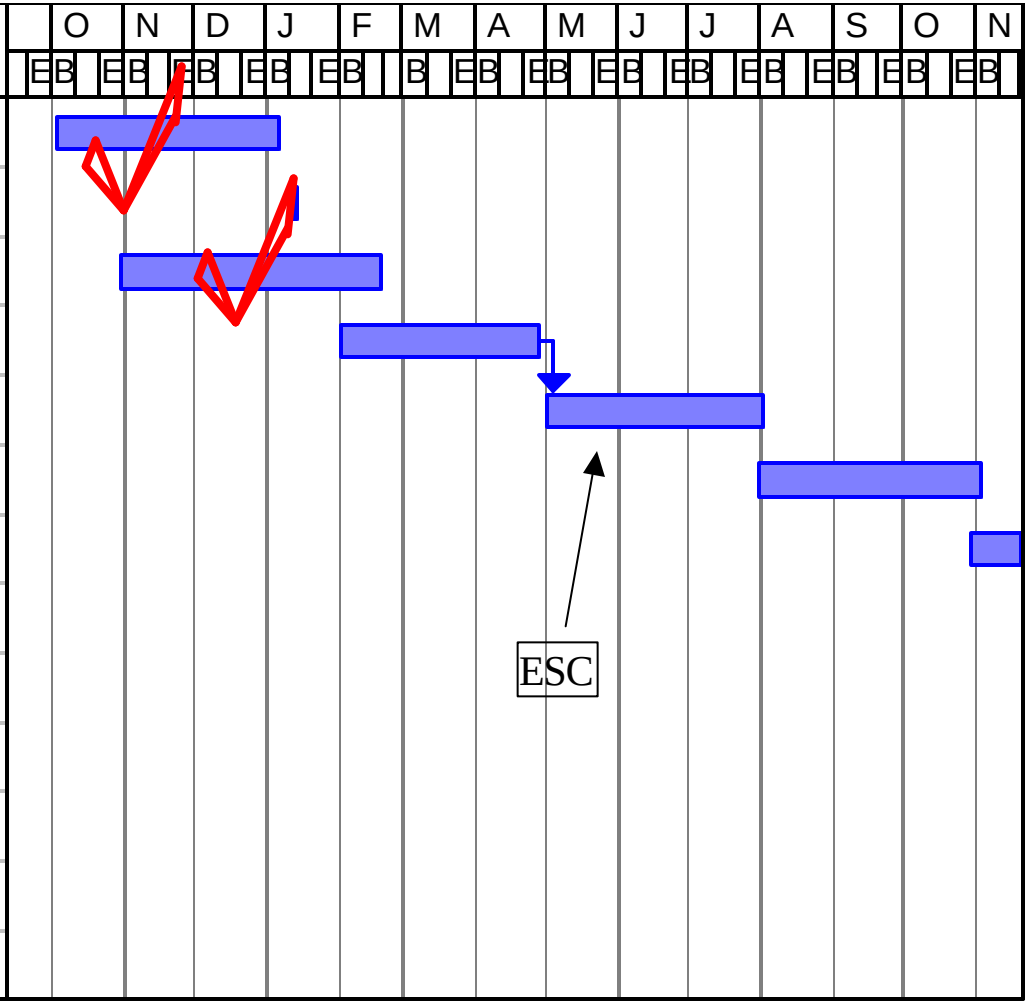
Reengineer Logistics Information Technology, Streamline IT Acquisition & Institutionalize Best Practice Tools for Acquisition & Material Management

AIS vs. DOMAIN LIST

Logistics Domain	AIS Count
Transportation & Distribution	51
Supply	94
Maintenance	41
Health Services	12
Services (Personnel, Finance, Training)	10
Engineering	30
Acquisition	24
Total Number of AISs	175
Number of AISs with 0 domains	5
Number of AISs with 1 domain	101
Number of AISs with > 1 domain	69

SRAC SCHEDULE

ID	Task Name
1	Planning
2	Kick Off
3	Phase I Execution
4	Phase II Execution
5	Phase III (Domain 1) Exec
6	Phase III (Domain 2) Exec
7	Phase III (Domain 3) Exec



QUADRANT MODEL

- ***Jan 01: Developed Quad Model Attributes and USMC Application***
- ***April 01: POA&M for testing and implementation***
  - ➔ ***Pilots (SECREPs, AAAV)***
  - ➔ ***Test Approach***
- ➔ ***April-August 01: Develop process and test***
- ➔ ***Focus is on Inventory, Acquisition, & Contracting***

Institutionalize the Quadrant Model
Establish Academic Strategic Alliances

SECREPS and 4th ECHELON MAINTENANCE

- ***Centralized Management of Secondary Repairables***
  - ***Oct 00: Initial Operating Capability (IOC) has been met***
  - ***Dec 00: Proof of Concept Demonstration***
  - ***Oct 01: Final Operating Capability (FOC)***
  - ***Information Technology (IT) modifications ongoing***

- ***4th Echelon strategy to MATCOM (IOC FY 2001)***
  - ***Concept Development underway***

"Move SECREP and 4th Echelon of Maintenance (EOM) Management to MATCOM"

INTERMEDIATE LEVEL MAINTENANCE CONSOLIDATION OF SUPPLY FUNCTIONS

- *Conduct PROOF OF CONCEPT EVALUATIONS*
- ***Combine 2nd/3rd EOM at Intermediate Level***
  - ***Dec 00: Developed the process, defined attributes***
  - ***2002: 2nd and 3rd Echelon to Intermediate Level (IOC)***
- ***Consolidation of Selected Supply Functions***
  - ***Dec 00: Identified selected Using Unit Functions as candidates to move to the Intermediate Level***
    - ***Automatic Receipts Processing***
    - ***Fiscal***
    - ***Reduce Supply Admin (requisitioning)***

- ***Move 2/3rd EOM to Intermediate Level***
- ***Move Selected Supply Functions from Using Unit Level to Intermediate Level***

NEAR TERM END STATE

- **FY 01**
  - *April 01: High Level Operational Architecture and Technical Assessment complete*
  - *April 01: Electronic "Portal" Requirement Complete*
    April 01: Quadrant Model Concept & POA&M developed
  - *June 01: First set of candidates for SRAC*
  - *June 01: Baseline effort complete @ 2nd FSSG*
  - *June 01: CSF & 2nd/3rd EOM Concept Developed & Proof of Concept in Progress*
  - *August 01: Testing of Quad Model Complete*
  - *September 01: 2nd/3rd Echelons of Maintenance shifted and collapsed within 2nd FSSG*

PROOF OF CONCEPT

- Demonstrate enhanced support/reduced response time to the war fighter (Maintenance/Supply Focus)
- Validate Integrated Logistics Capabilities through practical application
- Document changes in processes and measures of performance/effectiveness

OBJECTIVES

- **Develop/refine processes & IT tools**
- **Document measures of performance/effectiveness**
- **MAINTENANCE**
  - Identify/Validate the streamlined support process
  - Identify new Operator, Intermediate Level tasks
  - Shift functional responsibility to the Intermediate Level
  - Simplify the process (combine artificial levels)
- **SUPPLY**
  - Identify supply functions to be eliminated/relocated
  - Shift functional responsibility of selected supply activities to the Retail Level or commercial vendors (where appropriate)

CONCEPT OF OPERATIONS

- THREE PHASE PROOF OF CONCEPT
  - PHASE 1: PLANNING (19 Mar-1 June 01)
    - Develop Concept and Implementation Plans
    - Baseline 2nd FSSG Performance and Processes
  - PHASE 2: PROOF OF CONCEPT (1 June 01-31 May 02)
    - Demonstration (June 01 – May 02)
    - Pilot (Oct 01 – May 02)
  - PHASE 3: ANALYSIS (31 May 02-31 Jul 02)

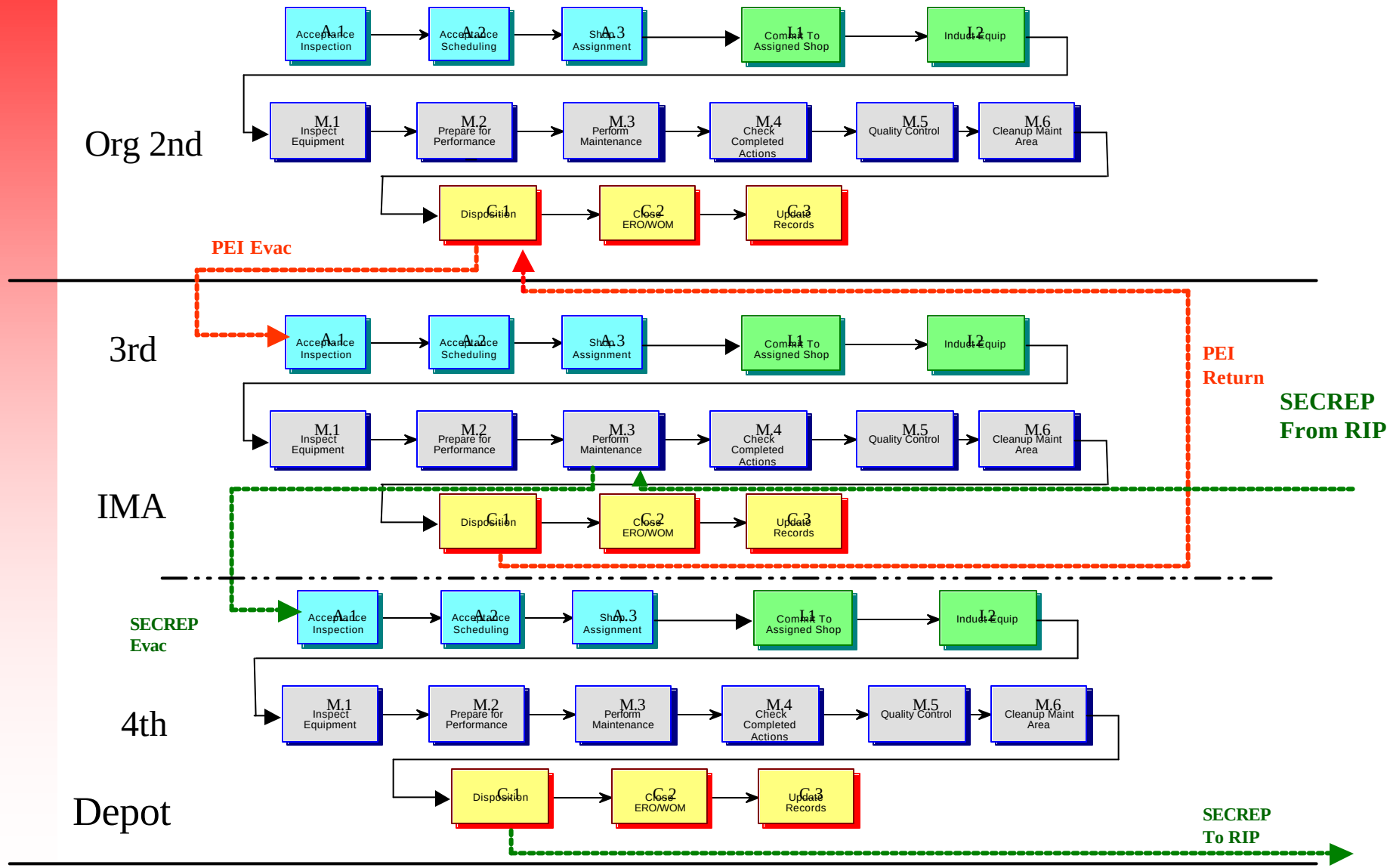
SCOPE

- Process & Business Rules Development/Refinement
- Information Technology Enablers/Gaps

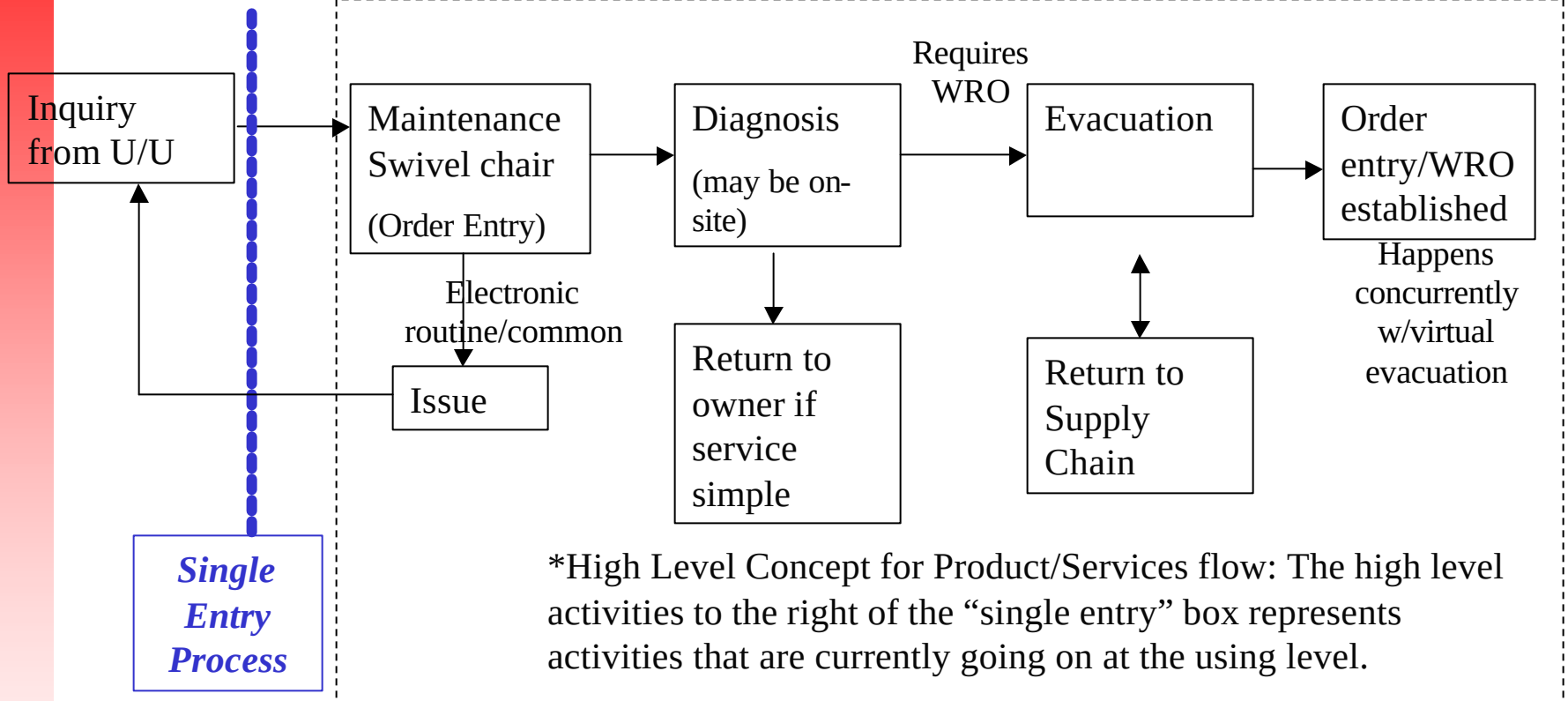
- 2nd FORCE SERVICE SUPPORT GROUP: Demonstration
  - FSSG wide transition of 2nd Echelon of Maintenance to Intermediate Level
  - Intermediate Level consolidation of 2nd and 3rd Echelons of Maintenance (Intermediate only)
  - Develop/refine IT tools
  - Document measures of performance/effectiveness

- 2nd MILITARY POLICE BATTALION: Pilot Test
  - 2nd Military Police Battalion stands up without maintenance/supply capability (1 Oct 01)
  - Develop the process to get support – a TRUE CUSTOMER OF THE NEW SYSTEM
  - Develop/refine IT tools
  - Document measures of performance/effectiveness

MAINTENANCE PROCESS



"TO BE" PROCESS



The entire chart from the inquiry through the "single entry" represents the "to-be" process. The inquiry is a simple process for the customer to register a requirement.

DATA COLLECTION

- DATA COLLECTION TEAM
  - Headquarters Marine Corps (FSMAO, LX, LPI)
  - Center for Naval Analysis
  - Marine Corps Combat Development Center (MCWL)
- BASELINE
  - Identify applicable metrics & data sources
  - Data reliability/validity assessment
  - Identify & document current performance
- DATA COLLECTION
  - Automated/Manual Data Sources
  - Survey of service providers and customers
  - Process documentation
- ANALYSIS
  - Analysis will be conducted during all phases of the proof of concept

METRICS

Operational/Risk metrics

- *Customer Wait Time*
- *Repair Cycle Time (by priority, by TAMCN)*
- *Customer satisfaction*
- *Materiel readiness rates*
- *Man-hours per function*
- *Number of personnel (maintenance and supply)*
- *Training quality for maintainers*

Business Performance Metrics

- *Inventory value*
- *Number of tool kits*
- *Square feet of facilities*
- *Number of HAZMAT sites*

ILC INITIAL PROOF OF CONCEPT

TIMELINE

- **1 April 2001: Baseline commences**
- 9 April 2001: 2nd FSSG Draft Implementation Plan (LOI) due to HQ
  - ILC Executive Steering Committee Brief @ Camp Lejeune
- 1 May 2001: Baseline Data Collection complete
- **15 May 2001: 2nd FSSG Final Implementation Plan (LOI) due to HQ**
- **1 Jun 2001-31 May 2002: Proof of Concept**
- 1 June 2001: Commence 2nd Echelon Maintenance Transition
- 1 Aug 2001: Pilot Test Concept of Support Due to HQMC
  - Develop Integrated EOM/Supply Support process
  - ESC (TBD)
- **30 Sept 2001: 2/3rd EOM Complete and Report to HQMC**
- **1 Oct 2001: Commence Pilot Test (MP Battalion)**
  - Minimum Supply/Maintenance Capability
- 1 Dec 2001: Initial Assessment Report
- 31 May-31 July 2002: Assessment
- 31 Aug 2002: Final Assessment Report
  - ESC(TBD)

RECOMMENDATION

- That the Integrated Logistics Capability Proof of Concept at II MEF be approved.

QUESTIONS ?

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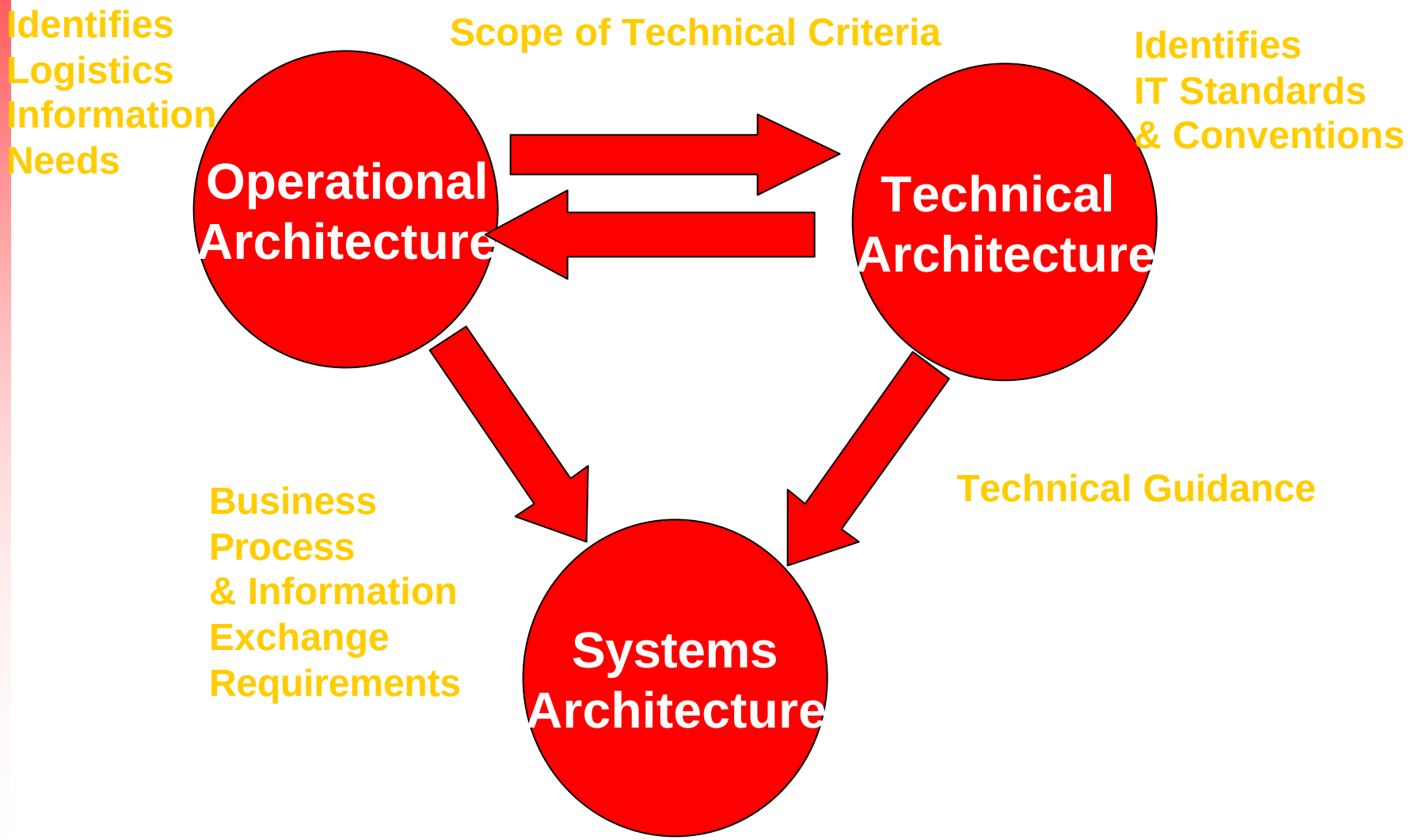
BACKUP SLIDES

Architecture Relationships



ARCHITECTURES

- **<u>Operational Architecture (OA)</u>**. The interrelationships of organizations, tasks performed, and information flows; general identification of information requirements.
- **"…a description of the tasks and activities, operational element and information flows required to accomplish or support a military operation…*defines the type of information exchanged, the frequency of exchange, which tasks and activities are supported by information exchange and the nature of information exchanges* in detail to ascertain interoperability requirements."**

ARCHITECTURES

- **System Architecture**. A description, including graphics, of systems and interconnections providing for, or supporting, warfighting functions. It shows how multiple systems link and interoperate, and may describe the internal construction and operations of particular systems within the architecture. This includes the physical connection, locations, and identification of key nodes, circuits, networks, warfighting platforms and specifies system and component performance parameters.

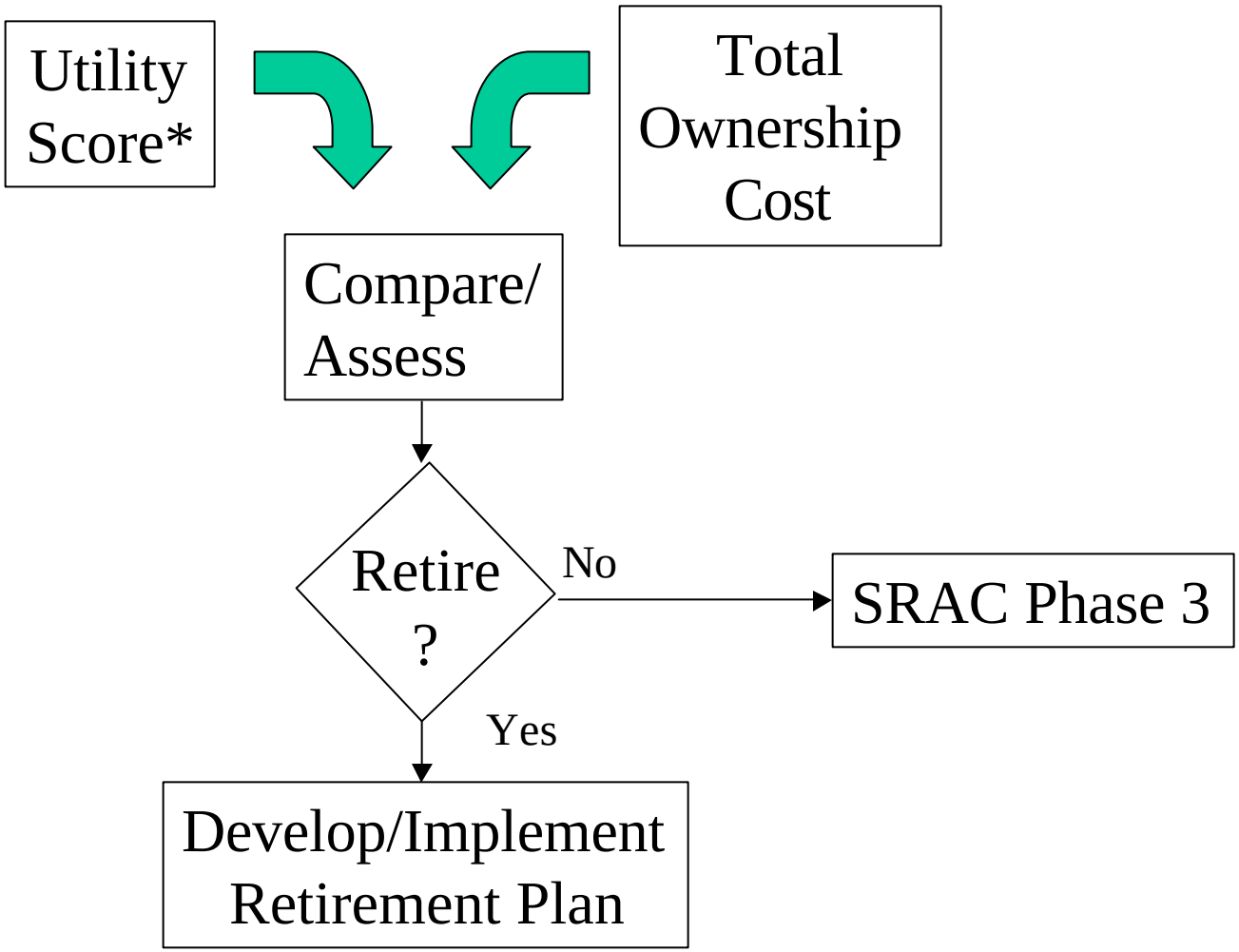
ARCHITECTURES

- **Technical Architecture**. The minimal set of rules governing the arrangement, interaction, and interdependence of system parts or elements, whose purpose is to ensure that a conformant system satisfies a specified set of requirements. It also provides the technical systems-implementation guidelines upon which engineering specifications are based, common building blocks are established, and product lines are developed. This includes a collection of technical standards, conventions, rules and criteria organized into profiles that govern system services, interfaces, and relationships for particular systems architecture views and that relate to particular operational views.

PHASE 1 SRAC (No -Value ISs)

- ***Criteria***
  - No Users; or-
  - No Funded Support; or
  - Not supportable (obsolete technology or no support expertise)
- ***Process***
  - Retirement plans for all no-value AISs

PHASE 2 SRAC (Low -Value ISs)



•Utility Score = (Number of Users) X (Number of Logistics Functions Supported)

PHASE 3 SRAC

- Complex Process
- Three Sets of Criteria
  - Functional
  - Technical
  - Cost/Vendor Viability
- Functional, Technical and Cost Scores Combined in Integrated Domain Solution Evaluation

SHARED DATA ENVIRONMENT

- ***Process***
  - Collect Meta Data (***ongoing***)
  - Define Architecture
    - Meta Data
    - ILC Operational Architecture
  - Implement Architecture
    - Data Warehouses
    - Operational Data Stores
    - Data Marts

Contract Award: 2nd Quarter FY01

ILC STRATEGIC TIMELINE